

**C. Remarks**

In response to the Office Action mailed May 22, 2003, the Applicant respectfully requests reconsideration of the application in view of the amendments above and the following remarks.

Claims 1-10 are currently pending.

The Applicant amended claim 1 to specify that the time information includes at least one time value representative of a time when the first communication is received by the trade management processor.

***Oath/Declaration***

Page 2 of the May 22, 2003 Office Action stated that the Applicants should include a ZIP Code with the mailing or post office address for each inventor and that the mailing or post office address may be provided in an application data sheet. An application data sheet including ZIP Codes for each inventor is enclosed herewith.

***Rejection of claims 1-10 under 35 USC 103(a)***

Claims 1-10 stand rejected under 35 USC 103(a) as unpatentable over U.S. Patent No. 6,427,000 (hereinafter the '000 patent) issued to Hawkins in view of U.S. Patent No. 6,119,097 (hereinafter the '097 patent) issued to Ibarra. Reconsideration and withdrawal of this obviousness rejection is deemed in order and requested.

The present invention relates to measuring trade management performance. A transaction for the purchase or sale of a security includes at least three steps, the negotiation of the transaction, trade management and the settlement of the transaction. In accordance with the present invention, the trade management process can further be divided into a plurality of steps. These steps include: Providing a system for monitoring and/or facilitating each of the trade management process steps; Associating a time stamp with the completion of each step in the trade management process; and Determining as a function of the time stamps of each of the steps, a measure of the performance of the trade management process.

The measure of performance can be, for example, an average or median time between the completion of any of the steps in the trade management process, a ranking of the participants to the trade management process based upon a time, such as an average or median time between completion of the steps or a measure of the variation or standard deviation of the time between the completion of any of the steps in the trade management process.

The present invention can be incorporated in a system used to facilitate the management of a transaction. That system can be adapted to receive and store trade-related information from

one of the participants to the transaction and forward that trade-related information to the intended recipient or recipients. In accordance with the invention, the system can store that trade-related information in a database along with an indication of the time that the trade-related information was received or the amount of time that has lapsed from a predefined reference time. The system can be adapted to receive and store this trade-related information for a plurality of participants and for a plurality of transactions. The system can further include a reference database that can be used by the participants to store reference information concerning each participant and the system can include this reference information in the information forwarded to the other participants.

As defined by amended claim 1, the invention provides a system providing a measure of performance of participants to a trade management process. The trade management process includes transmitting trade-related information between the participants. The system includes: a trade management processor for receiving a first communication from a first participant to the trade management process; a recorder for recording time information including at least one time value representative of a time when the first communication is received by the trade management processor; and a performance processor for generating a measure of performance with respect to the first participant as a function of the time information, the time information including at least one time value representative of a time when the first communication is received by the trade management processor.

CLAIM 1 RECITES A LIMITATION COMPLETELY ABSENT FROM THE '000 AND THE  
'097 PATENT

Contrary to the assertion in the Office Action that claim 1 is unpatentable over the '000 patent in view of the '097 patent, amended claim 1 recites an element/limitation completely absent from the '000 patent and the '097 patent. As stated on page 3 of the May 22, 2003 Office Action, the '000 patent "does not teach performance process means for generating a measure of performance with respect to said first participant as a function of said time information" as claimed in claim 1.

The '097 patent also does not teach "performance process means for generating a measure of performance with respect to said first participant as a function of said time information [emphasis added]." As stated in amended claim 1, *the time information includes at least one time value representative of a time when a communication from a participant to the trade management process is received by the trade management processing means.*

As an example of a measure of performance of a first participant as a function of the time information, Table A on page 21 of the present application provides an exemplary Trade Entry Delay Report. The report represents the performance of one or more of the broker/dealers that completed transactions with an Orderer over a predefined period. The average time reported is the average amount of time in hours that lapsed between the time the market closed on the trade date to the time the notice of execution issued by the broker/dealer was received by the trade management system for the transactions processed over a predefined evaluation period. Table A follows:

| TABLE A             |                |                       |                |  |        |
|---------------------|----------------|-----------------------|----------------|--|--------|
| Broker Name         | Broker Acronym | Block Level Indicator | Trades Counted | Average time from Execution to Receipt | Detail |
| Friendly Securities | FSEC           | Y                     | 13             | 0.27                                   | *      |
| Byron Associates    | BYATES         | Y                     | 44             | 1.05                                   | *      |
| DWT & Sons          | DWTS           | Y                     | 80             | 1.08                                   | *      |
| Porterhouse & Co.   | PTHS           | Y                     | 393            | 1.13                                   | *      |
| TTW Corp.           | TTW28L         | Y                     | 12             | 1.2                                    | *      |

The only section of the '097 patent that the May 22, 2003 Office Action cites with respect to the performance processor means limitation quoted above is column 11, lines 22-28 (the cited section is a portion of claim 1 of the '097 patent) which states the following:

identifying and recording in the computer system the job performance which is to be measured and improved;  
identifying and recording in the computer system the at least one quantifiable and objective standard which is determined to be at least a partial measure of the job performance.

This quote from column 11, lines 22-28 of the '097 patent does not teach "performance process means for generating a measure of performance with respect to said first participant *as a function of said time information* [emphasis added]" as claimed in amended claim 1 of the present application. Rather, the '097 patent appears to relate generically to quantification of human performance factors. Indeed, the closest disclosure in the '097 patent that might shed light on the meaning of the cited '097 claim language appears to be the text associated with FIG. 8 stating:

FIG. 8 shows in a snapshot of a computer display that when an employee is selected for a detailed view of the information described above, that employee as well as up to three more employees are simultaneously displayed. In this presently preferred embodiment, the employee's name, job title, birth date and

hire date are displayed on the first three lines. The employee's next performance appraisal summary date is displayed in the fourth line. The bottom line displays the most recent score for the employee's check-up, the year-to-date average score, and the current status (current or closed).

Thus, the '097 patent relates to completing a periodic evaluation of an employee to determine whether or not specified activities are being accomplished and does not disclose "performance process means for generating a measure of performance with respect to said first participant *as a function of said time information* [emphasis added]" where the time information includes at least one time value representative of a time when a communication from a participant to the trade management process is received by the trade management processor.

Indeed, '097 patent does not refer to trading or the timing of trading performance at all. Thus, there is no disclosure of the performance process means element/limitation.

The Office Action does not and can not point to a teaching in the '097 patent of the above-referenced element/limitation. If the Examiner repeats this rejection, the Applicants respectfully request that the Examiner specify where in the '097 patent such a performance processor means is taught, i.e., performance process means for generating a measure of performance with respect to the first participant *as a function of the time information*.

THERE IS NO SUGGESTION IN THE CITED DOCUMENTS TO MAKE THE  
COMBINATION INDICATED IN THE MAY 22, 2003 OFFICE ACTION

Moreover, there is no motivation or suggestion in the cited documents to make the combination indicated in the Office Action. Obviousness cannot be established by combining the teachings of the cited documents to produce the claimed invention, absent some teaching suggestion or incentive supporting the combination. See *In re Geiger*, 815 F.2d 686, 2 USPQ 2d 1276, 1278 (Fed. Cir. 1987).

In other words, it is impermissible for an Examiner to use the claimed invention as a "template" to piece together the teachings of the prior art references so as to render the claimed invention obvious. *In re Gorman*, 933 F.2d 982, 987 (Fed. Cir. 1991). Under no condition can the Examiner combine the teachings of references, unless those references include some teaching or suggestion supporting the combination. *In re Fritch*, 972 F.2d 1260, 1266 (Fed. Cir. 1992) (quoting *ACS Hosp. Systems, Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984)).

The Examiner is not allowed to use hindsight to pick and choose among pieces of prior art references so as to reconstruct the claimed invention. *In re Fritch*, 972 F.2d at 1266. As the Federal Circuit has observed on more than one occasion, "[t]o imbue one of ordinary skill in the

art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher.” In re Fine, 837 F.2d 1071, 1075 (Fed. Cir. 1988) (quoting W.L. Gore & Assoc. v. Garlock, Inc., 721 F.2d 1540, 1553 (Fed. Cir. 1983)). See also Pentec, Inc. v. Graphic Controls Corp., 776 F.2d 309, 313, 227 USPQ 2d. 1923, (Fed. Cir. 1985). Additionally, it is improper to focus on obviousness of substitutions, instead of on invention as a whole. Gillette Co. v. S.C. Johnson & Son, Inc. 16 USPQ 2d. 1923 (Fed. Cir. 1990)

It is the invention as a whole which must be evaluated. “...the changes must be evaluated in terms of the whole invention, including whether the prior art provides any teaching or suggestion to one of ordinary skill in the art to make the changes that would produce the patentee’s method and device.” Northern Telecom, Inc. v. Datapoint Corp., 908 F.2d 931, 15 USPQ 2d. 1321 (Fed. Cir. 1990)

The May 22, 2003 Office Action does not point to any teaching in the cited documents as providing a motivation or suggestion for making the combination suggested in the office action. Rather, page 3 of the May 22, 2003 Office Action merely states the following: “One of ordinary skill in the art would have been motivated to do this [i.e., make the combination suggested by the Office Action] because time is of the essence in the trading process management [sic]. A trade management processing system has to be efficient and reliable. Thus, one of ordinary skill in the art would have been motivated to include a performance evaluation feature to ensure the system is performing at an acceptable level.” However, as noted above, the ‘097 patent does not refer to trading or the timing of trading performance at all. And as acknowledged on page 3 of the May 22, 2003 Office Action, the ‘000 patent does not teach performance process means for generating a measure of performance with respect to the first participant as a function of the time information. Thus, neither the ‘097 patent or the ‘000 patent provides a suggestion or motivation for the combination indicated on page 3 of the May 22, 2003 Office Action.

Indeed, rather than suggest the modification of the settlement system of the ‘000 patent to include “performance process means for generating a measure of performance with respect to said first participant *as a function of said time information* [emphasis added],” the ‘097 patent teaches away from this modification/combination. With reference to column 2, lines 47-65 and FIG. 1, the summary of the invention of the ‘097 patent describes a method (and an apparatus) that enables a supervisor to quantify job performance characteristics. The method appears to accomplish job performance quantification and tracking of performance by a series of steps.

First, a supervisor is provided with an employee problem-solving worksheet on a computer display (FIG. 4). The problem-solving worksheet is where the supervisor, together with the employee, identifies objective standards for the employee. These standards are typically all facets of the bottom line goals for the employee. This worksheet forces the employer and the employee to identify exactly what the employee should be accomplishing. Associated with each standard are tasks or activities which are all directed toward helping the employee to at least meet the standard. Therefore, by looking at how close the employee is to meeting the standard, the employee and the employer can determine which activities are most likely to result in the employee at least meeting the standard.

Thus, rather than suggesting the modification of the settlement system of the '000 patent to include "performance process means for generating a measure of performance with respect to said first participant as a function of said time information," the '097 patent appears to describe a system for providing customized supervision of employees and teaches away from providing a predefined performance processor for generating a measure of performance with respect to the first participant as a function of the time information as claimed in amended claim 1.

The Office Action does not and can not point to a suggestion or motivation in the '097 patent or the '000 patent for making the combination indicated on page 3 of the May 22, 2003 Office Action. If the Examiner repeats this rejection, the Applicants respectfully request that the Examiner specify where in the '097 patent or the '000 patent such a suggestion exists.

In sum, neither of the cited patents suggest the claimed combination, nor do the cited patent suggest combination with each other. Even if the cited patents were combined such a combination would not produce an apparatus meeting the limitations of amended claim 1. Thus, amended claim 1 is patentably distinct over the '000 patent and the '097 patent, alone or in combination.

Independent claim 5 includes a limitation similar to the performance processor means limitation of claim 1 and independent claim 10 is a method claim that is similar to claim 1. Therefore, claims 5 and 10 are patentably distinct over the cited patents for the reasons cited above.

Claims 2-4 depend from claim 1 and claims 6-8 depend from claim 5. As a consequence claims 2-4 and 6-8 are patentably distinct over the cited patents at least for the reasons cited above.

#### Claim 9

As defined by claim 9, the invention provides a system for determining a measure of performance of participants to a trade management process. The system includes a trade management computer system coupled to an orderer computer system and a broker-dealer computer system. The trade management computer system receives and stores communications including trade-related information from the orderer computer system and the broker-dealer computer system and stores time information including at least one time value representative of a time when at least one of the communications is received from the orderer computer system or said broker-dealer computer system.

The system further includes an information processing system coupled to the trade management computer system and adapted to receive the trade-related information and the time information and for processing the time information to generate at least one value representative of performance with respect to the orderer computer system or the broker-dealer computer system in the trade management process.

CLAIM 9 RECITES A LIMITATION COMPLETELY ABSENT FROM THE '000 AND THE '097 PATENT

Contrary to the assertion in the Office Action that claim 9 is unpatentable over the '000 patent in view of the '097 patent, claim 9 recites an element/limitation completely absent from the '000 patent and the '097 patent. As stated on page 9 of the May 22, 2003 Office Action, *the '000 patent "does not teach an information processing system ..."* as claimed in claim 9.

*The '097 patent also does not teach "an information processing system coupled to said trade management computer system and adapted to receive said trade related information and said time information and for processing said time information to generate at least one value representative of performance with respect to said orderer computer system or said broker-dealer computer system in said trade management process [emphasis added]" as claimed in claim 9.*

The only section of the '097 patent that the May 22, 2003 Office Action cites with respect to the performance processor means limitation quoted above is the Abstract and column

11, lines 22-28 (lines 22-28 include a portion of claim 1 of the '097 patent). As noted above, column 11, between lines 22-28, states the following:

identifying and recording in the computer system the job performance which is to be measured and improved;  
identifying and recording in the computer system the at least one quantifiable and objective standard which is determined to be at least a partial measure of the job performance.

This quote from column 11, lines 22-28 of the '097 patent does not teach "an information processing system coupled to said trade management computer system and adapted to receive said trade related information and said time information and for processing said time information to generate at least one value representative of performance with respect to said orderer computer system or said broker-dealer computer system in said trade management process" as claimed in claim 9 of the present application. Rather, as noted above, the '097 patent appears to relate generically to quantification of human performance factors. Indeed, the closest disclosure in the '097 patent that might shed light on the meaning of the cited '097 claim language appears to be the text associated with FIG. 8 stating:

FIG. 8 shows in a snapshot of a computer display that when an employee is selected for a detailed view of the information described above, that employee as well as up to three more employees are simultaneously displayed. In this presently preferred embodiment, the employee's name, job title, birth date and hire date are displayed on the first three lines. The employee's next performance appraisal summary date is displayed in the fourth line. The bottom line displays the most recent score for the employee's check-up, the year-to-date average score, and the current status (current or closed).

Thus, the 097 patent relates to completing a periodic evaluation of an employee to determine whether or not specified activities are being accomplished and does not disclose "an information processing system coupled to said trade management computer system and adapted to receive said trade related information and said time information and for processing said time information to generate at least one value representative of performance with respect to said orderer computer system or said broker-dealer computer system in said trade management process."

Indeed, '097 patent does not refer to trading or the timing of trading performance at all. Thus, there is no disclosure of the information processing system element/limitation.

The Office Action does not and can not point to a teaching in the '097 patent of the above-referenced element/limitation. If the Examiner repeats this rejection, the Applicants



respectfully request that the Examiner specify where in the '097 patent such an information processing system is taught, i.e., an information processing system coupled to said trade management computer system and adapted to receive said trade related information and said time information and for processing said time information to generate at least one value representative of performance with respect to said orderer computer system or said broker-dealer computer system in said trade management process.

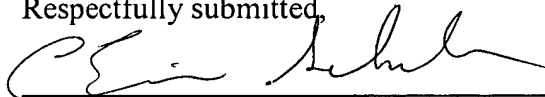
In sum, claim 9 is patentably distinct over the '000 patent and the '097 patent, alone or in combination.

The Applicants believe that this application is in condition for allowance and respectfully request entry of this amendment and allowance of the application. This amendment does not introduce new matter.

If there are any questions regarding this amendment and/or these remarks, the Examiner is encouraged to contact the undersigned at the telephone number provided below.

The Commissioner is hereby authorized to charge any fees that may be due, or credit any overpayment of same, to Deposit Account No. 50-0311, Reference No. 20336-006.

Respectfully submitted,



C. Eric Schulman, Esq. (Reg. No. 43,350)  
Mintz, Levin, Cohn, Ferris  
Glovsky and Popeo, P.C.  
One Financial Center  
Boston, MA 02111  
Telephone 617/348-3005  
Attorney for Applicants

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